

## Message Text

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ACTION XMB-04

INFO OCT-01 EA-09 ISO-00 AID-05 CIAE-00 EB-08 FRB-01  
INR-07 NSAE-00 USIA-15 TRSE-00 OPIC-06 SP-02  
LAB-04 SIL-01 OMB-01 /064 W  
-----103547 050815Z /12  
P 050718Z AUG 77  
FM AMEMBASSY MANILA  
TO SECSTATE WASHDC PRIORITY 3353  
USDOC WASHDC

UNCLAS MANILA 12167

PASS TO EXIM

E.O. 11652: N/A  
TAGS: EFIN, RP  
SUBJ: BENGUET CONSOLIDATED DIZON COPPER PROJECT

REF: MANILA 9538

1. THE CENTRAL BANK (CB) HAS ASKED BENGUET CONSOLIDATED TO POSTPONE ITS FOREIGN BORROWINGS FOR THE DIZON COPPER PROJECT UNTIL EARLY 1978. REPORTEDLY THIS ACTION WAS TAKEN BECAUSE NEW BORROWINGS WITH MATURITIES OF LESS THAN TEN YEARS ARE APPROACHING THE 1977 LIMITS AGREED BY THE GOP AND THE IMF. A CB TEAM IS BELIEVED TO BE NEGOTIATING WITH THE IMF TO ADJUST THE SUBCEILINGS, PLACING A GREATER PROPORTION OF THE OVERALL \$860 MILLION AVAILABLE IN THE UNDER-10 YEAR CATEGORY.

2. BENGUET V.P. AND TREASURER DELFIN L. LAZARO TOLD EMBOFF THAT 6 MONTHS DELAY WON'T INCREASE THE COST OF THE PROJECT ABOVE THE BUDGET. BENGUET DOES NOT MIND WAITING AND HAS BEEN PROMISED BY CB OFFICIALS THAT ITS PROJECT WILL HAVE HIGH PRIORITY FOR BORROWING IN EARLY 1978. IN THE MEANTIME BENGUET IS CONTINUING WITH THE  
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ENGINEERING DESIGN OF THE PROJECT AND WILL HAVE ALL SPECIFICATIONS READY BY YEAR END. IT NOW EXPECTS TO GO TO LUMP SUM PROCUREMENT OF MACHINERY AND EQUIPMENT PURCHASES IN EARLY 1978.

3. LAZARO HAS REAFFIRMED THAT BENGUET PREFERS TO GET ITS MACHINERY AND EQUIPMENT IN THE U.S. BECAUSE THEY

EXPECT LOWER PRICES THERE. THE DECISION OF COURSE  
HINGES ON THE U.S. EXIM BANK LOAN. LAZARO INFORMS US  
THAT A DECISION ON THAT LOAN AT EXIM IS IMMINENT.  
STULL

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COPPER, PROGRAMS (PROJECTS), DEVELOPMENT LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 05-Aug-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977MANILA12167  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770281-0005  
**Format:** TEL  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Line Count:** 66  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 15f86f61-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION XMB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 MANILA 9538  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 15-Oct-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1699655  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** BENGUET CONSOLIDATED DIZON COPPER PROJECT  
**TAGS:** EFIN, RP, BENGUET CONSOLIDATED, XMB  
**To:** STATE COM  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/15f86f61-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009